

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:7782
ANSWERED ON:17.05.2002
INCOME TAX ON AGRICULTURAL INCOME
PUSHPDAN SHAMBHUDAN GADHAVI

Will the Minister of FINANCE be pleased to state:

- (a) Whether no income tax is paid on agricultural income;
- (b) If so, whether a large scale malpractices are routed through agricultural income with a view to evade tax; and
- (c) If so, the remedial measures taken/proposed by the Government in this regard?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN)

- (a): Yes Sir, no income tax is paid on agricultural income. However, such income is included in the total income for rate purposes.
- (b): Some cases of claim of bogus agricultural income with a view to evade tax have come to the notice of the Income Tax Department.
- (c): Necessary action under the provisions of the Income Tax Laws is taken to bring such bogus agricultural income to tax.